

1 UNITED STATES COURT OF APPEALS
2 FOR THE SECOND CIRCUIT

3 No. 1208

August Term, 1983

4 (Argued May 23, 1984

Decided October 4, 1984)

5 Docket No. 84-7095

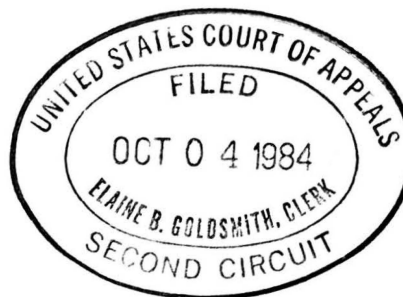
6 -----
7 UNIVERSAL CITY STUDIOS, INC.,

8 Plaintiff-Appellant,

9 v.

10 NINTENDO CO., LTD., NINTENDO OF
11 AMERICA, INC.,

12 Defendants-Appellees.
13 -----



14 B e f o r e: FRIENDLY, MESKILL and KEARSE, Circuit Judges.

15 Appeal from an order of the United States District Court
16 for the Southern District of New York, Sweet, J., granting defen-
17 dants' motion for summary judgment in an action brought under
18 section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a) (1982), the
19 New York anti-dilution statute, N.Y. Gen. Bus. Law § 368-d (McKin-
20 ney 1984), and common law unfair competition, trademark and trade
21 name principles.

22 Affirmed.

23 DOUGLAS C. FAIRHURST, New York, New York
24 (Mary D. Faucher, Sandra Edelman, Townley
25 & Updike, New York, New York, of coun-
26 sel),
for Plaintiff-Appellant.

JOHN J. KIRBY, JR., New York, New York
(Thomas G. Gallatin, Jr., Shelley B.
O'Neill, Catherine E. Palmer, Mudge Rose
Guthrie Alexander & Ferdon, New York, New

1 York, James L. Magee, Sax and Maciver,
2 Seattle, Washington, of counsel),
3 for Defendants-Appellees.

4 MESKILL, Circuit Judge:

5 This is an appeal from an order of the United States
6 District Court for the Southern District of New York, Sweet, J.,
7 granting the motion for summary judgment by the defendants,
8 Nintendo Co., Ltd. and Nintendo of America, Inc. (Nintendo), in the
9 action brought by plaintiff Universal City Studios, Inc. (Univer-
10 sal) under section 43(a) of the Lanham Act, 15 U.S.C. § 1125(a)
11 (1982), the New York anti-dilution statute, N.Y. Gen. Bus. Law
12 § 368-d (McKinney 1984), and common law unfair competition, trade-
13 mark and trade name principles. Universal City Studios, Inc. v.
14 Nintendo Co., 578 F.Supp. 911 (S.D.N.Y. 1983). We affirm.

15 BACKGROUND

16 Nintendo Co., and its wholly owned subsidiary Nintendo of
17 America, has engaged in the design, manufacture, importation and
18 sale of the extraordinarily successful video game known as "Donkey
19 Kong." Nintendo has realized over \$180 million from the sale of
20 approximately 60,000 video arcade machines in the United States and
21 Canada. Donkey Kong requires the player to maneuver a computerized
22 man named Mario up a set of girders, ladders and elevators to save
23 a blond pigtailed woman from the clutches of a malevolent, yet
24 humorous gorilla, while simultaneously avoiding a series of objects
25 such as barrels and fireballs hurled at him by the impish ape.

26 Universal, a giant in the entertainment industry, main-
tains that it owns the trademark in the name, character and story

1 of "King Kong." The King Kong character and story, of course, need
2 no introduction. Universal traces its ownership of the trademark
3 from RKO General's (RKO) efforts to exploit the goodwill created by
4 its 1933 film classic of the same name. It asserts that RKO's
5 commercial use of the name and character of King Kong created the
6 trademark; that the rights to the trademark were passed from RKO to
7 Richard Cooper, son and heir of King Kong creator Merian Cooper,
8 pursuant to a judgment resulting from a claim brought by Richard
9 Cooper against RKO alleging that RKO had exceeded the license orig-
10 inally granted by Merian Cooper to make the original King Kong
11 motion picture; and that Richard Cooper subsequently transferred to
12 Universal for consideration the rights he obtained from RKO.^{1/}

13 Universal filed its complaint against Nintendo in 1982,
14 approximately nine months after Nintendo began marketing Donkey
15 Kong. Universal alleged that the Donkey Kong name, character and
16 story constituted false designation of origin in violation of 15
17 U.S.C. § 1125(a) because Nintendo's "actions falsely suggest to the
18 public that [its] product originates with or is authorized, spon-
19 sored or approved by the owner of the King Kong name, character and
20 story." Universal also asserted claims based upon the New York
21 anti-dilution statute, N.Y. Gen. Bus. Law § 368-d, and common law
22 unfair competition, trademark and trade name principles.^{2/}
23 Neither side requested a jury trial.

24 After extensive discovery, Nintendo moved for summary
25 judgment. The motion was granted by the district court. Specifi-
26 cally, the court held that (a) Universal failed to derive trademark

1 rights from RKO because the transfer from RKO to Cooper was an
2 invalid assignment in gross; (b) any trademark that Universal
3 purported to own could not be the basis of a successful action
4 under the Lanham Act because it lacked "secondary meaning" as a
5 matter of law; (c) even if Universal's trademark had secondary
6 meaning, there was no question of fact as to whether consumers were
7 likely to confuse Donkey Kong and King Kong; (d) Universal did not
8 state a claim under the New York anti-dilution statute because it
9 lacked a distinctive trademark and there were no triable issues as
10 to whether Donkey Kong blurred the King Kong mark; and (e) the
11 common law trademark, trade name and unfair competition claims
12 should be dismissed.^{3/} The district court subsequently certi-
13 fied its decision as final under Fed. R. Civ. P. 54(b) even though
14 Nintendo's counterclaim remained unadjudicated.^{4/} This appeal
15 followed.

16 DISCUSSION

17 We turn first to what Universal labels the "main" issue,
18 whether the district court's decision that Universal failed to
19 raise a question of fact as to the likelihood of consumer confusion
20 concerning the origin of Donkey Kong was erroneous. Because we
21 affirm the holding of the district court on this issue, we need not
22 and do not decide if the district court was correct in finding that
23 the King Kong mark was not validly developed and conveyed to
24 Universal and that the King Kong mark has not acquired secondary
25 meaning. Rather, we assume only arguendo that the King Kong trade-
26 mark was validly developed and conveyed to Universal and that the

1 King Kong mark has secondary meaning. See Durham Industries, Inc.
2 v. Tomy Corp., 630 F.2d 905, 918 (2d Cir. 1980) ("even if we assume
3 for purposes of this appeal that [counterclaim plaintiff] could
4 demonstrate secondary meaning at trial, since likelihood of con-
5 sumer confusion could not be established [counterclaim defendant]
6 was entitled to summary judgment").

7 To be entitled to summary judgment, Nintendo must demon-
8 strate "the absence of any material factual issue genuinely in
9 dispute," Heyman v. Commerce & Industry Insurance Co., 524 F.2d
10 1317, 1320 (2d Cir. 1975) (citation omitted), and that it is
11 entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c).
12 The record must be construed in the light most favorable to Univer-
13 sal and all reasonable inferences must be drawn to its advantage.
14 United States v. Diebold, Inc., 369 U.S. 654, 655 (1962) (per
15 curiam); Sterling National Bank & Trust Co. v. Fidelity Mortgage
16 Investors, 510 F.2d 870, 875 (2d Cir. 1975). We hold that Univer-
17 sal failed to raise a question of fact on the issue of the likeli-
18 hood of consumer confusion and thus Nintendo was entitled to sum-
19 mary judgment on the Lanham Act claim.

20 "It is well settled that the crucial issue in an action
21 for trademark infringement or unfair competition is whether there
22 is any likelihood that an appreciable number of ordinarily prudent
23 purchasers are likely to be misled, or indeed simply confused, as
24 to the source of the goods in question." Mushroom Makers, Inc. v.
25 R.G. Barry Corp., 580 F.2d 44, 47 (2d Cir. 1978) (per curiam)
26 (citation omitted), cert. denied, 439 U.S. 1116 (1979). See also

1 Lever Brothers Co. v. American Bakeries Co., 693 F.2d 251, 253 (2d
2 Cir. 1982); Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema,
3 Ltd., 604 F.2d 200, 205 (2d Cir. 1979) ("The public's belief that
4 the mark's owner sponsored or otherwise approved the use of the
5 trademark satisfies the confusion requirement."). "The solution of
6 this problem . . . depends upon a consideration of the facts and
7 circumstances in each case." Plus Products v. Plus Discount Foods,
8 Inc., 722 F.2d 999, 1003 (2d Cir. 1983). The factors enumerated in
9 Polaroid Corp. v. Polarad Electronics Corp., 287 F.2d 492 (2d
10 Cir.), cert. denied, 368 U.S. 820 (1961), are utilized and balanced
11 to determine the likelihood of confusion:

12 Where the products are different, the prior owner's
13 chance of success is a function of many variables:
14 the strength of his mark, the degree of similarity
15 between the two marks, the proximity of the products,
16 the likelihood that the prior owner will bridge the
17 gap, actual confusion, and the reciprocal of defen-
18 dant's good faith in adopting its own mark, the qual-
19 ity of defendant's product, and the sophistication of
20 the buyers. Even this extensive catalogue does not
21 exhaust the possibilities -- the court may have to
22 take still other variables into account.

23 Id. at 495. Questions regarding the likelihood of confusion are
24 normally factual in nature. American International Group, Inc. v.
25 London American International Corp., 664 F.2d 348, 351 (2d Cir.
26 1981). Nonetheless, "courts retain an important authority to moni-
tor the outer limits of substantial similarity within which a jury
is permitted to make the factual determination whether there is a
likelihood of confusion as to source," Warner Bros. Inc. v. Ameri-
can Broadcasting Cos., 720 F.2d 231, 246 (2d Cir. 1983), and
summary judgment is appropriate if the court is satisfied that the

1 products or marks are so dissimilar that no question of fact is
2 presented. See Durham Industries, Inc. v. Tomy Corp., 630 F.2d
3 905, 918 (2d Cir. 1980) (summary judgment granted to counterclaim
4 defendant on issue of likelihood of consumer confusion); B&L Sales
5 Associates v. H. Daroff & Sons, Inc., 421 F.2d 352, 354 (2d Cir.)
6 (summary judgment to defendant), cert. denied, 398 U.S. 952 (1970);
7 Bowmar Instrument Corp. v. Continental Microsystems, Inc., 497
8 F.Supp. 947, 954-55 (S.D.N.Y. 1980).

9 In Warner Bros. Inc. v. American Broadcasting Cos., 720
10 F.2d 231 (2d Cir. 1983), Warner, owner of the trademark and copy-
11 right in the fictional character Superman, brought an action
12 against ABC for its production of a television series entitled "The
13 Greatest American Hero." Warner claimed, as does Universal in this
14 case, that the character infringed its trademark. We held that it
15 was proper to compare the "extent to which the allegedly infringing
16 character captures the 'total concept and feel'" of the protected
17 character in order to determine whether there exists a fair jury
18 issue on the likelihood of confusion. Id. at 241, 246. We con-
19 cluded after such an examination that summary judgment was proper
20 in the facts and circumstances of that case. Id. at 246-47. The
21 district court conducted a visual inspection of both the Donkey
22 Kong game and the King Kong movies and stated that the differences
23 between them were "great." 578 F.Supp. at 928. It found the
24 Donkey Kong game "comical" and the Donkey Kong gorilla character
25 "farcical, childlike and nonsexual." Id. In contrast, the court
26 described the King Kong character and story as "a ferocious gorilla

1 in quest of a beautiful woman." Id. The court summarized that
2 "Donkey Kong[] . . . create[s] a totally different concept and feel
3 from the drama of King Kong" and that "[a]t best, Donkey Kong is a
4 parody of King Kong." Id. Indeed, the fact that Donkey Kong so
5 obviously parodies the King Kong theme strongly contributes to
6 dispelling confusion on the part of consumers. Cf. Tetley, Inc. v.
7 Topps Chewing Gum, Inc., 556 F.Supp. 785, 790 (E.D.N.Y. 1983)
8 ("broad satirical adaptation draws a heavy line between itself and
9 the object of satire"). The district court then evaluated and
10 rejected Universal's claim that a survey performed on its behalf
11 raised a question of fact concerning the likelihood of actual
12 confusion. The court concluded by applying its previous determina-
13 tions as to the relative strength of the marks,^{5/} the similar-
14 ity of the underlying characters, the survey evidence of actual
15 confusion and other factors to the Polaroid criteria and concluded
16 that "no reasonable jury could find likelihood of confusion." Id.
17 at 929. Compare American International Group, Inc. v. London
18 American International Corp., 664 F.2d 348 (2d Cir. 1981) (holding
19 summary judgment for defendant inappropriate where plaintiff's
20 trademark used worldwide for fifty years, defendant's allegedly
21 infringing name incorporated all of plaintiff's trademark, plain-
22 tiff and defendant used mark and allegedly infringing name in same
23 market and press discussions of defendant's business misidentified
24 defendant by plaintiff's trademark).^{6/}

25 We agree with the district court that the two characters
26 and stories are so different that no question of fact was presented

1 on the likelihood of consumer confusion.^{7/} Cf. Tetley, Inc.
2 v. Topps Chewing Gum, Inc., 556 F.Supp. at 789-90 (parody does not
3 constitute infringement or unfair competition where products are so
4 dissimilar that there is no likelihood of confusion as to source,
5 sponsorship or endorsement). The two properties have nothing in
6 common but a gorilla, a captive woman, a male rescuer and a build-
7 ing scenario. Universal has not introduced any evidence indicating
8 actual consumer confusion. See discussion infra on Universal's
9 survey. Where, as here, the two properties are so different,
10 Universal's claim cannot stand without some indication of actual
11 confusion or a "survey of consumer attitudes under actual market
12 conditions." Mattel, Inc. v. Azrak-Hamway International, Inc., 724
13 F.2d 357, 361 (2d Cir. 1983) (per curiam).

14 Universal argues that the district court's analysis
15 ignored its "primary" contention, "whether Donkey Kong is confus-
16 ingly similar to the name King Kong." It maintains that it has
17 presented evidence which raises questions of fact on the likelihood
18 of confusion regarding the two names. After reviewing this
19 evidence, we are satisfied that no question of fact exists and thus
20 the decision below should be affirmed.

21 Universal points to the similarity of the two names,
22 claiming that the use of the word "Kong" raises a question of fact
23 on the likelihood of confusion. We disagree. In order to deter-
24 mine if confusion is likely, each trademark must be compared in
25 its entirety; juxtaposing fragments of each mark does not demon-
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1 strate whether the marks as a whole are confusingly similar. See
2 San Fernando Electric Mfg. Co. v. JFD Electronics Components Corp.,
3 565 F.2d 683, 685 (C.C.P.A. 1977) ("Each syllable of each mark
4 generates an 'impact,' but the only impact to be considered is that
5 of the whole."); Commerce Foods, Inc. v. PLC Commerce Corp., 504
6 F.Supp. 190, 196 (S.D.N.Y. 1980). The "Kong" and "King Kong" names
7 are widely used by the general public and are associated with apes
8 and other objects of enormous proportions. See Affidavits of
9 Jeffrey Rovin and Caroline Riggio, Exhs. DX-2 and DX-3 to J. App.
10 Nintendo's use of the prefix "Donkey" has no similarity in meaning
11 or sound with the word "King." When taken as a whole, we find as a
12 matter of law that "Donkey Kong" does not evoke or suggest the name
13 of King Kong.

14 Universal places particular emphasis on a telephone
15 survey of 150 arcade, bowling alley and pizza parlor owners and
16 managers who had purchased or leased one or more Donkey Kong games.
17 While a survey may indicate the existence of a question of fact on
18 the likelihood of confusion, see Mattel, Inc. v. Azrak-Hamway
19 International, Inc., 724 F.2d at 361, "[t]he survey must . . . have
20 been fairly prepared and its results directed to the relevant
21 issues." National Football League Properties, Inc. v. Wichita
22 Falls Sportswear, Inc., 532 F.Supp. 651, 657 (W.D. Wash. 1982).
23 See Anti-Monopoly, Inc. v. General Mills Fun Group, Inc., 684 F.2d
24 1316, 1323-26 (9th Cir. 1982), cert. denied, 459 U.S. 1227 (1983);
25 Amstar Corp. v. Domino's Pizza, Inc., 615 F.2d 252, 263-64 (5th
26 Cir.), cert. denied, 449 U.S. 899 (1980). We find that Universal's

1 survey is so badly flawed that it cannot be used to demonstrate the
2 existence of a question of fact on the likelihood of consumer
3 confusion.

4 The individuals surveyed were asked "To the best of your
5 knowledge, was the Donkey Kong game made with the approval or under
6 the authority of the people who produce the King Kong movies?"
7 Eighteen percent of those responding answered in the affirmative.
8 Universal argues that this result demonstrates the existence of
9 actual confusion. See, e.g., Grotrian, Helfferich, Schulz, Th.
10 Steinweg Nachf. v. Steinway & Sons, 365 F.Supp. 707, 716 (S.D.N.Y.
11 1973), aff'd, 523 F.2d 1331 (2d Cir. 1975). However, the question
12 is unfair because Universal does not claim any ownership rights in
13 the 1933 or 1976 King Kong films. Rather, Universal's trademark is
14 supposedly derived from RKO's efforts to exploit the success of the
15 1933 movie. The survey question apparently was a transparent
16 attempt to raise an image which Universal does not own in the minds
17 of the respondents, that of King Kong climbing the Empire State
18 Building/World Trade Center with Fay Wray/Jessica Lang in his paw.
19 As such, the inquiry is unfair because no attempt was made to
20 connect Donkey Kong with Universal's alleged trademark in the name
21 King Kong.

22 There are two additional reasons why Universal cannot
23 rely on the survey. First, the survey utilized an improper
24 universe in that it was conducted among individuals who had already
25 purchased or leased Donkey Kong machines rather than those who were
26 contemplating a purchase or lease. See American Footwear Corp. v.

1 General Footwear Co., 609 F.2d 655, 661 n.4 (2d Cir. 1979), cert.
2 denied, 445 U.S. 951 (1980); Dreyfus Fund Inc. v. Royal Bank of
3 Canada, 525 F.Supp. 1108, 1116 (S.D.N.Y. 1981) ("To be probative
4 and meaningful . . . surveys . . . must rely upon responses by
5 potential consumers of the products in question."). Second, the
6 above-mentioned inquiry was an obvious leading question in that it
7 suggested its own answer. The participants were presented with the
8 Donkey Kong-King Kong connection rather than permitted to make
9 their own associations. When the participants were asked "As far
10 as you know, who makes Donkey Kong?" not one suggested Universal or
11 the makers of the King Kong movies. See American Footwear Corp. v.
12 General Footwear Co., 609 F.2d at 661 n.4, 663 (1980); General
13 Motors Corp. v. Cadillac Marine & Boat Co., 226 F.Supp. 716, 736
14 (W.D. Mich. 1964). A survey question which begs its answer cannot
15 be a true indicator of the likelihood of consumer confu-
16 sion.^{8/}

17 Universal posits that the opinions of various video game
18 commentators linking Donkey Kong and King Kong are indicative of
19 consumer confusion.^{9/} We disagree. The statements cited by
20 Universal recognize that the Donkey Kong theme loosely evokes the
21 King Kong films. However, none of the statements remotely suggests
22 that the authors were under the impression that Donkey Kong was
23 connected with the company holding the King Kong trademark.

24 Universal also claims that a letter written in August
25 1982 by Nintendo of America's Customer Service Manager to the
26 Editor of How to Win at Donkey Kong, which states that there is no

1 connection between Nintendo and the producers of King Kong, is an
2 implicit admission that the commentators, and thus consumers,
3 "connect" Donkey Kong with King Kong. This is disingenuous. The
4 letter was written after Universal commenced this action and is an
5 obvious attempt to avoid further legal difficulties. The letter in
6 no way detracts from the plain language of the video commentators
7 which reveals no confusion on their part as to the source of Donkey
8 Kong. Equally irrelevant is Universal's reference to a letter
9 written by Nintendo of America's President to the United States
10 Patent and Trademark Office stating that counterfeit Donkey Kong
11 games were being sold "us[ing] either an identical or a confusingly
12 similar name, including . . . Crazy Kong, and such variations
13 thereof as King Kong and Donkey Kong." This statement was made as
14 part of an effort by Nintendo to show that "King Kong" was confus-
15 ingly similar to "Donkey Kong" when applied to a duplicate arcade
16 game and adds nothing to the question whether or not Donkey Kong is
17 confusingly similar to Universal's alleged trademark in the King
18 Kong name, character and story.

19 Finally, Universal argues that statements by Donkey
20 Kong's developer, designer and others indicating that the ideas for
21 the game concept and name of Donkey Kong were derived in part from
22 the King Kong film raises a presumption that the two trademarks are
23 confusingly similar. See Perfect Fit Industries, Inc. v. Acme
24 Quilting Co., 618 F.2d 950, 954 (2d Cir. 1980). Universal concedes
25 that the presumption is rebutted where no question of fact exists
26 as to the likelihood of confusion. Br. for Plaintiff-Appellant at

1 35. See Warner Bros. Inc. v. American Broadcasting Cos., 720 F.2d
2 at 247. In light of our conclusion that no reasonable question of
3 fact is presented concerning the likelihood of confusion, supra,
4 Universal is not entitled to the benefit of the presumption of
5 confusing similarity due to intentional copying.

6 In sum, we find that Universal failed to raise a question
7 of fact whether there was any likelihood that an appreciable number
8 of prudent purchasers are likely to be misled or confused as to the
9 source of Donkey Kong. Consequently, the district court properly
10 granted summary judgment to Nintendo on Universal's Lanham Act
11 claim.

12 We now turn to the district court's grant of summary
13 judgment for Nintendo on Universal's claim for injunctive relief
14 under the New York anti-dilution statute, N.Y. Gen. Bus. Law
15 § 368-d. Universal need not show a likelihood of confusion as to
16 source to establish an anti-dilution claim. Warner Bros. Inc. v.
17 American Broadcasting Cos., 720 F.2d at 248. Rather, Universal
18 "must possess a strong mark -- one which has a distinctive quality
19 or has acquired a secondary meaning which is capable of dilution,"
20 Allied Maintenance Corp. v. Allied Mechanical Trades, Inc., 42
21 N.Y.2d 538, 545 (1977). It must also demonstrate a "likelihood of
22 dilution" of its mark. Sally Gee, Inc. v. Myra Hogan, Inc., 699
23 F.2d 621, 625 (2d Cir. 1983). Universal failed to present any
24 evidence indicating that Donkey Kong will have an adverse effect on
25 King Kong's reputation or deprive the mark of its distinctiveness.
26 See Sally Gee, Inc. v. Myra Hogan, Inc., 699 F.2d at 625-26. We

1 find that the names and characters in dispute are so different that
2 no reasonable question of fact was raised on the issue of blurring.
3 Cf. Dallas Cowboys Cheerleaders, Inc. v. Pussycat Cinema, Ltd., 604
4 F.2d at 204-05 & n.8 (dilution occurred where sexually explicit
5 movie utilized distinctive uniform "almost identical" to that of
6 plaintiff's). Summary judgment for Nintendo was therefore proper.

7 The district court also correctly dismissed the common
8 law claims because, as discussed supra, Universal failed to raise a
9 question of fact on the likelihood of confusion. Mattel, Inc. v.
10 Azrak-Hamway International, Inc., 724 F.2d at 360-61.

11 The judgment of the district court is affirmed.
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FOOTNOTES

1/ Richard Cooper's complaint against RKO was a cross-claim brought in the course of an action filed in 1975 in the United States District Court for the Central District of California by Universal against RKO, Cooper and the Dino DeLaurentiis Corp. (DDLCC). Universal sought, inter alia, a declaration that it could proceed with a remake of the King Kong movie because the story was in the public domain. RKO also brought a counterclaim against Universal. The district court held in favor of Universal in the claim and counterclaim and in favor of Cooper in the cross-claim.

RKO and Universal entered into a settlement agreement while the decision was being appealed. The Universal-RKO and Cooper-RKO judgments were subsequently vacated by the United States Court of Appeals for the Ninth Circuit in light of the settlement and the cases were remanded. The district court reinstated the judgment in favor of Cooper in 1981 after it concluded that the judgment was not rendered moot by the Universal-RKO settlement. Both Universal's claim and the counterclaim brought by RKO were dismissed by the district court.

FOOTNOTES

2/ Nintendo asserted a counterclaim against Universal alleging that Universal contributed to the infringement of its copyright in the original audiovisual material used in Donkey Kong by licensing Tiger Electronics, Inc. to produce an infringing King Kong home video game and further alleging intentional interference with contractual relations, intentional misappropriation of Nintendo's rights in Donkey Kong and intentional interference with Nintendo's present and future business relations. These claims are still pending.

3/ The district court rejected Nintendo's claim that, as a result of arguments made in the course of the Universal-RKO litigation, Universal is judicially estopped from asserting trademark rights in King Kong. The district court also refused to accept Nintendo's argument that Universal was, by virtue of various judgments and stipulations in the Universal-RKO-Cooper-DDLC litigation, collaterally estopped from making its claims herein. We need not address the questions of judicial and collateral estoppel, in light of our holding that Universal failed to raise a question of fact on the issue of whether consumers are likely to confuse Donkey Kong and King Kong.

FOOTNOTES

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We asked the parties to submit briefs addressing the question whether the district court abused its discretion by certifying the decision granting summary judgment where the issues presented by the counterclaim remained unresolved. We are now satisfied that no abuse of discretion occurred. See Curtiss-Wright Corp. v. General Electric Co., 446 U.S. 1 (1980).

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The court found that the King Kong mark lacked distinction and failed to identify the goods it represented as emanating from a particular source based upon its prior conclusion that King Kong lacked secondary meaning. 578 F.Supp. at 928.

FOOTNOTES

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The district court also determined, as a separate matter, that Universal's agreements with several of Nintendo's licensees to forebear future litigation in exchange for royalty payments "reinforce[d] the court's holding . . . that there is no likelihood of confusion as a matter of law." 578 F.Supp. at 930. Because we hold on other grounds that Universal failed to raise a question of fact on the issue of likelihood of confusion, we need not discuss whether the district court interpreted and applied this factor correctly.

7/

Capitalizing on the popularity of the Donkey Kong characters, Nintendo has marketed numerous related items in addition to the videogame. See Defs. Exhs. 13-38. Although these items are not themselves at issue in this action, their presence in the market arguably might create confusion among consumers that would not exist if Nintendo marketed only the videogame. Universal has not made this argument, however, and nothing in the record supports such a conclusion. Moreover, since the videogame is by far the dominant source of goodwill for these characters, consumer impressions of these other items are likely to be generated by the videogame, diminishing the possibility that the items will create more confusion among consumers than the videogame itself. Finally, these items have the same "total concept and feel" as the videogame and just as obviously are unlikely to be confused with King Kong.

FOOTNOTES

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We do not doubt that there are some consumers who believe that the producers of Donkey Kong and of King Kong are the same. However, the fact that there may be a few confused consumers does not create a sufficiently disputed issue of fact regarding the likelihood of confusion so as to make summary judgment improper. In Warner Bros., while acknowledging that "there may be some viewers among the television audience who think that the Hero series was produced or authorized by those responsible for the Superman movies, television series, or comics," we held that "the availability of survey evidence indicating that some viewers associated the Hero series with Superman does not create a reasonably disputed factual issue of likelihood of confusion as to source when the works are as different as those in this case." 720 F.2d at 246 (emphasis in original). The same may be said of Donkey Kong and King Kong.

FOOTNOTES

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Examples cited by Universal are (1) the headline on page 40 of the October 1982 issue of Videogaming Illustrated, "[O]ur Donkey Kong presentation continues as we look at other gorillas who have had a fondness for women. Prominent among them is King Kong, who has much in common with the video villain.;" (2) the statement at page 136 in Craig Kubey's The Winners' Book of Video Games (1982), "Donkey Kong [is] a video version of the film classic King Kong;" (3) the statement at page 181 in Steve Bloom's Video Invaders (1982), "Whoever dreamt up Donkey Kong obviously had the 1933 classic version of King Kong in mind, but why the construction set? This latter-day Kong drags a blond (who in no way resembles the film's heroine, Ms. Wray) up a series of girders and forces a little dope named Mario, who happens to be a carpenter, to rescue her;" (4) the headline on page 26 of the May 1982 issue of Electronic Games, "King Kong Goes Coin-Op" (The article itself goes on to say that "[m]embers of the coin-op cogniscenti are already swarming all over this charmer that boasts a storyline right out of a '40's 'Popeye' cartoon and graphics to match.);" (5) the statement in the column by John Holmstrom in the July 1982 issue of Heavy Metal that "Donkey Kong takes elements from two classics -- Don Quixote and King Kong;" and (6) the statement in the January/February 1983 issue of Film Comment, "[Donkey Kong] begins with King Kong grabbing Fay Wray and climbing to the top of a structure of girders linked by ladders."